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D:MARLO M. SCHEPPER COMPANY:BURNS & LEVINSON LLP

TRADEMARK ASSIGNMENT

Electronic Version v1.1
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03/07/2011
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SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Factory Connection, LLC		02/28/2011	LIMITED LIABILITY COMPANY: DELAWARE
RECEIVING PARTY DATA			
Name:	Wells Fargo Bank, National Association		
Street Address:	c/o Wells Fargo Capital Finance		
Internal Address:	One Boston Place, 18th Floor		
City:	Boston		
State/Country:	MASSACHUSETTS		
Postal Code:	02108 LLC		
Entity Type:	COMPANY: Delaware		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	1487941	THE FACTORY CONNECTION	
Registration Number:	3180867	FC	
CORRESPONDENCE DATA			
Fax Number:	(617)345-3299		
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
Phone:	(617) 345-3000		
Email:	mschepper@burnslev.com		
Correspondent Name:	Marlo M. Schepper		
Address Line 1:	Burns & Levinson LLP		
Address Line 2:	125 Summer Street		
Address Line 4:	Boston, MASSACHUSETTS 02110		
ATTORNEY DOCKET NUMBER:	43889.1		
NAME OF SUBMITTER:	Marlo M. Schepper		

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J:MARLO M. SCHEPPER COMPANY:BURNS & LEVINSON LLP

Signature:	/Marlo M. Schepper/
Date:	03/07/2011
Total Attachments: 6 source=01562836#page1.tif source=01562836#page2.tif source=01562836#page3.tif source=01562836#page4.tif source=01562836#page5.tif source=01562836#page6.tif	

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Trademark Security Agreement") is made this 28th day of February, 2011, among Grantors listed on the signature pages hereof (collectively, jointly and severally, "Grantors" and each individually "Grantor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION (together with its successors and assigns, "Wells Fargo").

WITNESSETH:

WHEREAS, pursuant to that certain Credit Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among FACTORY CONNECTION, LLC as borrower ("Borrower") and Wells Fargo, Wells Fargo is willing to make certain financial accommodations available to Borrower pursuant to the terms and conditions thereof; and

WHEREAS, Wells Fargo is willing to make the financial accommodations to Borrower as provided for in the Credit Agreement, but only upon the condition, among others, that Grantors shall have executed and delivered to Wells Fargo that certain Security Agreement dated of even date herewith (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, Grantors are required to execute and deliver to Wells Fargo this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement or the Credit Agreement.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Each Grantor hereby grants to Wells Fargo a continuing first priority security interest in all of such Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral"):

(a) all of its Trademarks and Trademark Intellectual Property Licenses to which it is a party including those referred to on Schedule I hereto;

(b) all goodwill, trade secrets, proprietary or confidential information, technical information, procedures, formulae, quality control standards, designs, operating and training manuals, customer lists, and other General Intangibles with respect to the foregoing;

(c) all reissues, continuations or extensions of the foregoing;

(d) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark Intellectual Property License; and

(e) all products and proceeds of the foregoing, including any claim by such Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or any

Trademark licensed under any Intellectual Property License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Intellectual Property License.

3. SECURITY FOR OBLIGATIONS. This Trademark Security Agreement and the Security Interest created hereby secures the payment and performance of all the Secured Obligations, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Trademark Security Agreement secures the payment of all amounts which constitute part of the Obligations and would be owed by Grantors, or any of them, to Wells Fargo, whether or not they are unenforceable or not allowable due to the existence of an Insolvency Proceeding involving any Grantor.

4. SECURITY AGREEMENT. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Wells Fargo pursuant to the Security Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of Wells Fargo with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

5. AUTHORIZATION TO SUPPLEMENT. If any Grantor shall obtain rights to any new trademarks, the provisions of this Trademark Security Agreement shall automatically apply thereto. Grantors shall give prompt notice in writing to Wells Fargo with respect to any such new trademarks or renewal or extension of any trademark registration. Without limiting Grantors' obligations under this Section, Grantors hereby authorize Wells Fargo unilaterally to modify this Agreement by amending Schedule I to include any such new trademark rights of Grantors. Notwithstanding the foregoing, no failure to so modify this Trademark Security Agreement or amend Schedule I shall in any way affect, invalidate or detract from Wells Fargo's continuing security interest in all Collateral, whether or not listed on Schedule I.

6. COUNTERPARTS. This Trademark Security Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument. In proving this Trademark Security Agreement or any other Loan Document in any judicial proceedings, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom such enforcement is sought. Any signatures delivered by a party by facsimile transmission or by e-mail transmission shall be deemed an original signature hereto.

7. CONSTRUCTION. Unless the context of this Trademark Security Agreement or any other Loan Document clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms "includes" and "including" are not limiting, and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Trademark Security Agreement or any other Loan Document refer to this Trademark Security Agreement or such other Loan Document, as the case may be, as a whole and not to any particular provision of this Trademark Security Agreement or such other Loan Document, as the case may be. Section, subsection, clause, schedule, and exhibit references herein are to this Agreement unless otherwise specified. Any reference in this Trademark Security Agreement or in any other Loan Document to any agreement, instrument, or document shall include all alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements, thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set forth herein). Any reference herein or in any other Loan Document to the satisfaction or repayment in full of the Obligations shall mean the repayment in full in

cash (or cash collateralization in accordance with the terms of the Credit Agreement) of all Obligations other than unasserted contingent indemnification Obligations and other than any Bank Products that, at such time, are allowed by Wells Fargo to remain outstanding and that are not required by the provisions of the Credit Agreement to be repaid or cash collateralized. Any reference herein to any Person shall be construed to include such Person's successors and assigns. Any requirement of a writing contained herein or in any other Loan Document shall be satisfied by the transmission of a Record and any Record so transmitted shall constitute a representation and warranty as to the accuracy and completeness of the information contained therein.

[signature page follows]

IN WITNESS WHEREOF, each Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

FACTORY CONNECTION, LLC

By: 

Name: Steve Williams

Title: Chief Financial Officer

ACCEPTED AND ACKNOWLEDGED BY:

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By: _____

Name: Cory Loftus

Title: Authorized Signatory

TRADEMARK SECURITY AGREEMENT

TRADEMARK
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FACTORY CONNECTION, LLC

By: _____

Name: Steve Williams

Title: Chief Financial Officer

ACCEPTED AND ACKNOWLEDGED BY:

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By:  _____

Name: Cory Loftus

Title: Authorized Signatory

TRADEMARK SECURITY AGREEMENT

TRADEMARK
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SCHEDULE I
to
TRADEMARK SECURITY AGREEMENT

Trademark Registrations/Applications

Grantor	Country	Mark	Application/ Registration No.	App/Reg Date
Factory Connection, LLC	United States	The Factory Connection	1,487,941	May 10, 1988
Factory Connection, LLC	United States	FC	3,180,857	January 26, 2006

Trade Names

None

Common Law Trademarks

Brand You Love For Less

Trademarks Not Currently In Use

None

Trademark Licenses

None